

A cooperative project of:  
**The Greater Springfield Chamber of Commerce**  
*and*  
**University of Illinois at Springfield**  
**Center for Entrepreneurship / Center for State Policy and Leadership**

## The Sangamon County Business Economic Outlook Survey



**About the survey:** We introduce the Sangamon County Business Economic Outlook Survey, a vehicle to assess the economic outlook of businesses and non-profit organizations in Sangamon County. The survey solicits opinions from a sample of businesses/firms/organizations in Sangamon County with 10 or more employees. Opinions solicited in this initial survey included expectations about the performance of various aspects and sectors of the Sangamon County economy in the next 12 months; expectations for the respondent's own business; and the biggest challenges facing their firm in the local economy over the next 12 months. Results here are based on 182 responses that were collected during late February and March, 2008. The survey will be conducted every six months.

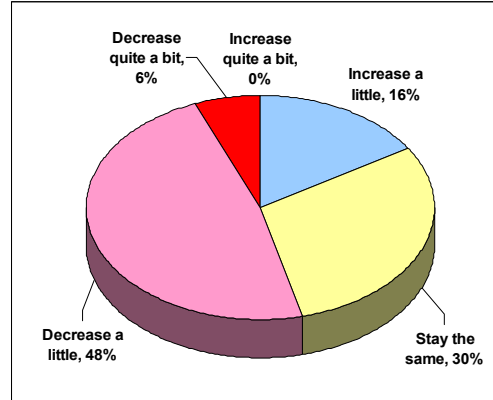
**About the "Intensity Index Score" (IIS):** Outlook questions ask respondents whether an economic indicator over the next 12 months will: *decrease quite a bit, decrease a little, stay about the same, increase a little, or increase quite a bit.* For the purpose of tracking responses over time, we developed an "Intensity Index Score" for each of the outlook indicators. The Intensity Index Score is the average of all ratings when the following values are given to each response: decline quite a bit (-100), decline a little (-50), stay about the same (0), increase a little (+50), and increase quite a bit (+100).

This score can range from a low of -100, meaning every respondent expects the topic to "decline quite a bit" -- to a high of +100, meaning every respondent expects the topic to "increase quite a bit." A score of 0 either indicates that every respondent expects the topic to "stay about the same," or that the increase and decrease responses are evenly balanced.

### Result highlights

**Expectations for the performance of the Sangamon County economy as a whole** over the next 12 months are somewhat negative (Intensity Index Score = -22). Less than one in five respondents expect any increase in the performance (0% quite a bit; 16% a little) while more than half expect some kind of decrease (6% quite a bit; 48% a little). One in three (30%) expect it to stay about the same.

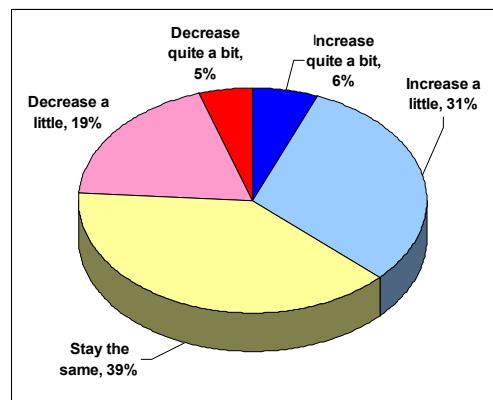
### Outlook for Sangamon County Economy



By sector, the most positive expectations are found for medical/health care (IIS = +33), information and communications systems and services (+13) and education (+11). The most negative expectations are found for construction/building (-34) and manufacturing (-31) followed by retail trade (-26), wholesale trade (-24) and transportation/warehousing (-23).

**The overall expectations for "your" firm/ business in Sangamon County** over the next 12 months are slightly positive (Intensity Index Score = +7). More than one-third expect some kind of increase (6% quite a bit; 31% a little) while almost one-quarter expect some kind of decrease (5% quite a bit; 19% a little). About four in ten (39%) gave a rating of "stay about the same."

### Outlook for Own Firm: "Overall"



**The biggest challenges** selected across all respondents are energy prices (46%) and employee compensation/benefits (42%) followed by inflation (34%) and consumer confidence/spending (34%). Next are government regulations/taxation (29%) and state government finances (28%).

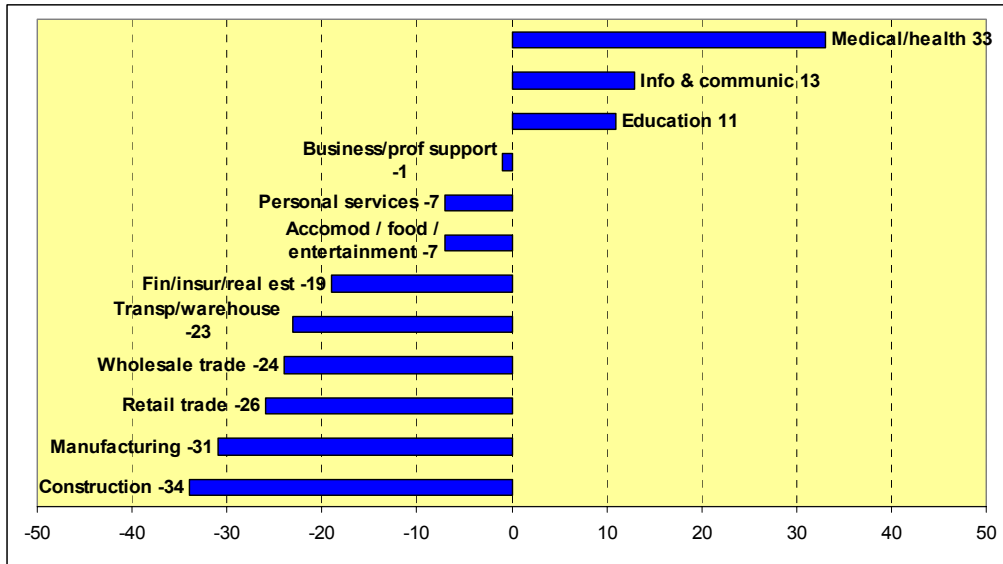
More detailed results are presented on the next page.

## Over the Next 12 Months, What are your Expectations?

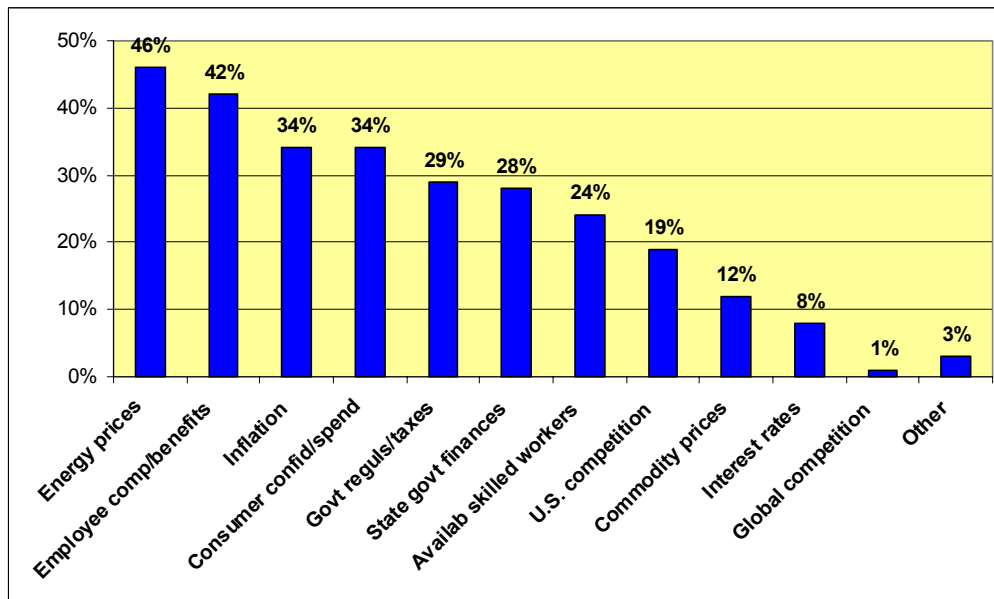
(figures show % of respondents by category)

Sangamon County	DECREASE		SAME	INCREASE		Intensity Index Score
	<u>quite a bit</u>	<u>a little</u>		<u>a little</u>	<u>quite a bit</u>	
Overall economy .....	6%	48%	30%	16%	0%	-22
Overall employment .....	7	42	31	19	1	-17
Capital investment .....	6	40	31	21	2	-14
Interest rates .....	10	52	19	16	2	-26
Gross sales / revenue .....	14	34	28	22	2	-18
Inflation/prices of goods/services.....	2	4	10	50	34	+55
Contributions to non-profit organizations.....	9	43	42	6	0	-27

### Intensity Index Scores for Economic Sectors



### What are the Three Biggest Challenges Facing Your Firm in the Local Economy over the Next 12 Months?



More results as well as updates and additional analyses of the results are/will be posted at:  
<http://cspl.uis.edu/SurveyResearchOffice/BusinessOutlookSurveyResults.htm>